



A Linked-Deposit Low-Interest Loan Program
Offered by Illinois State Treasurer Alexi Giannoulias
Another Financial Service of the Illinois Funds

Illinois Funds: Local Government Short-term Loan Program

Program Guidelines

Eligible Applicants:

To qualify for funding through the Illinois Funds Short-term Loan Program, the applicant must be an eligible participant of the Illinois Funds Money Market Fund excluding agencies of the State Government, including, but not limited to the following categories of public services:

Governments

Municipalities
Townships
Counties

Public Utilities

Water & Sewer
Water Reclamation
Electric & Gas

Public Transportation

Tollway Authorities
Mass Transit Districts
Road & Bridge Districts
Airport Authorities
Highway Departments
Port Authorities

Public Education

School Districts
School and Public Libraries
Community Colleges
Education Service Centers
Regional Offices of Education

Recreation & Agriculture

Soil & Water Conservation Dist.
Park & Recreation Districts
Farm Drainage / Levee Districts
Forest Preserve Districts

Public Health & Safety

Hospitals
Nursing Homes
Fire Departments
Police Departments
Sanitary Districts
Mosquito Abatement Dist.
E9-1-1 Phone Systems
Sheriff's Departments

Other Public Agencies

Cemetery Districts
Intergovernmental Agencies
Planning Commissions
Building Commissions
Housing Authorities
...and many more

Eligible Use of Funds:

There are probably too many scenarios to develop a complete list of possibilities, but we are providing the following examples of possible uses of funds.

Governments

A township could use this loan to replace an old road grater; a town wants to fix a leak in the city pool; a county has to meet some emergency and has no time to budget, or levy for it until the new fiscal year.

Public Health

A county nursing home could use low cost funds to replace old wheel chairs; a public hospital could meet payroll; a city health department might need to purchase more child immunizations than normal and won't have the cash until the state reimburses for the purchase.

Public Safety

A fire department could go ahead and buy the fire truck they have their eye on before it sells; the 9-1-1 Emergency Phone System Board needs to install a new enhanced phone system; the county sheriff wants to provide weather alert radios in all county schools.

Public Transportation

A Mass Transit District needs a new bus; a County Senior Citizen rural transportation needs a new van; the Regional Airport Authority wants to build a new hangar.

Recreation and Agriculture

A farm drainage district needs to lay new tile and has no time to levy for it until next year; the Forest Preserve needs to repair restroom facilities; the Mosquito Abatement District needs a new sprayer.

Program Rates:

For each approved project, the State Treasurer's Office will deposit funds at a below market rate of interest into the applicant's participating financial institution. The participating financial institution will then lend the money at a rate of interest that is no more than 2.5% above the Treasurer's deposit rate.

Terms & Conditions:

Loans are made for 3-month, 6-month, 9-month or 12-month terms. Loans are not made from the Illinois Funds assets, or from the State Treasurer's Office directly.

Loans must be made by local financial institutions chosen by Illinois Funds Participants. Loans are made by local financial institutions based upon the creditworthiness of the participant and the participant's ability to repay within the term of the loan. The loan will be direct deposited by the lending institution into the participant's Illinois Funds Account.

Participants and financial institutions may use this program in conjunction with competitive bids for funding.

Application Period is Year-Round:

Applications for funding may be submitted throughout the year.

Evaluation of Application:

Once the application has been received, we will review the application. The application, along with the required attachments, will be submitted to the State Treasurer's Deposit Review Committee.

Each loan application is approved or denied at the discretion of the State Treasurer's Office. Each applicant will be notified of the determination of the Deposit Review Committee.

How to Apply for the Program:

Section 1.0

APPLICATION DEPOSIT TO PARTICIPATE IN THE ILLINOIS FUNDS LOCAL GOVERNMENT SHORT-TERM LOAN PROGRAM

This form is to be completed by an existing Illinois Funds participant, or potential participant, seeking to borrow funds from a financial institution for a 3-month, 6-month, 9-month or 12-month period sponsored by the Office of the Illinois State Treasurer Alexi Giannoulas. This form should, also, be completed with the assistance of the financial institution that will be the lender. The information on this form will allow the Treasurer's Office to determine eligibility for participation. PLEASE TYPE ALL REQUESTED INFORMATION.

1.1 Describe the use of funds:

1.2 Borrower Information:

Borrower's Name:

FEIN:

Address:

City:

 County:

 Zip:

Phone Number:

 Fax Number:

Contact Person:

 E-mail:

1.3 Financial Institution:

Lender's Name:

Address:

Phone Number:

Contact Person:

Signature/Title:

a) Is this institution a current Authorized State Depository? ____Yes ____No (If not, lender will need to apply for depository authorization by phoning us at 1-800-346-7414 for authorization documents to be Emailed.)

b) Lender will comply with Loan Deposit transfer instructions in Section 3.1 of this application the day the loan is made, transferring the Loan funds to the Borrower's Illinois Funds account for further distribution.

1.4 Participant Financial Information:

Amount of funding requested: \$

Date when funds are needed:

Length of term of loan:

____3-month ____6-month ____9-month ____12-month (maximum term)

1.5 Repayment Information - Describe source(s) & amount(s) of anticipated revenue/funds to repay the loan:

If this funding does not materialize what funds will be used to repay the loan:

1.6 Grant Fund "But For" Clause: If grant funds are intended to repay this loan, will this loan disqualify you for the grant funding? ____NO ____YES (If yes, you may not want to participate in this funding source.)

Section 2.0

LOAN INFORMATION

Please type the following information on separate sheets in the following format. Use the section numbers provided:

2.1 Funding Information: (Write this information using the following format and section numbers.)

- 2.1.1 A detailed description of use/purpose of funds.
- 2.1.2 The location of project (Street, City, County and Zip Code – if applicable).
- 2.1.3 A description of the benefit to the citizens you serve.
- 2.1.4 An itemized breakdown of proposed expenditure(s) of the funds.
- 2.1.5 The negative implications if this short-term funding is not available.
- 2.1.6 A detailed map showing the general location of any construction, if applicable.
- 2.1.7 Name, address, contact information of the vendor/supplier/contractor.
- 2.1.8 An explanation of the need for short-term funding.
- 2.1.9 A description of all other funding sources to be used for repayment of the loan.
- 2.1.10 A certified copy of the resolution/ordinance of the governing board vote to approve completion of this application and participation in the Illinois Funds Short-Term Loan Program.
- 2.1.11 A description of the plan to repay this loan in the event funding described in section 1.5 is not received as anticipated.

2.2 Borrower Certifications:

By signing below, the borrower agrees and certifies as follows:

- All of the representations that the participant has made and the documentation that the participant has provided are true and correct to the best of the participant's knowledge.
 - The State Treasurer's Office may withdraw the deposit and the financial institution may accelerate repayment of the loan if the borrower fails to satisfy all of the requirements of the program.
 - The Participant understands that all information regarding the program is public information. The Treasurer's Office may release any information provided to it by the participant and may also release any information regarding the approval or rejection of applications for deposit.
 - The Participant understands that the Treasurer's Office may reject any application for any reason at its sole discretion, including for lack of available funds.
 - The Participant understands that if the loan funds have not been called for within 60 days of the Loan Committee approval, all paperwork will need to be re-submitted as a new application.
 - The Participant understands that this is a loan and not a line of credit.
- Borrower will be sure that their financial institution will deposit loan proceeds into the Illinois Funds account for disbursement.

Call us if you have questions or need assistance:

Please call us if you have questions, or need assistance in participating in the Illinois Funds Local Government Short-term Loan Program. The Treasurer's Office staff stands ready to meet with you, your financial institutions, governing board, or others – to assist you in the benefits of this financial assistance. Our toll-free number is 1-800-346-7414.

Section 3.0

ACCOUNT APPLICATION

If you are an existing Illinois Funds Participant, please complete sections 3.1, 3.2, & 3.7 – and update any necessary information in the remaining sections, if applicable. New Illinois Funds participants will need to complete all sections below.

The Local Government/Public Agency listed above, (“Participant”), seeks to participate in the Illinois Funds Short-term Loan Program and open an Illinois Funds Money Market Fund Account, or use an existing Illinois Funds Account, for the direct deposit receipt of the loan funds, or other purposes as indicated below.

3.1 Loan Deposit Instructions (these instructions are to be used by the Lender):

Loan funds must be transferred to the Borrower’s Illinois Funds account for further distribution. These instructions are to be used by the lender. This information will be completed once a new account is opened. This information may be completed now for an existing Illinois Funds account.

Custodial Bank: US Bank ABA routing numbers: for Wire transfers: 081000210
for ACH transfers: 081225707

For Further Credit to Illinois Funds account number: _____

Illinois Funds account title: _____

3.2 Withdrawal Options: _____ Checks (standard) _____ Wire transfer _____ ACH transfer

To Bank: _____ ABA routing number: _____

Further credit to account number: _____

Account Title: _____

3.3 Optional Rapid Revenue Program (direct deposit-plus services):

_____ Please provide more information to be considered later

_____ No; We are not interested in Rapid Revenue

_____ Yes; Enroll the following funds in the Rapid Revenue program for direct deposit in this account.

_____ We already have Illinois Funds direct deposit services.

From Dept. of Revenue:

_____ Sales Tax
_____ Income Tax
_____ PPRT
_____ Auto Rental Tax
_____ Gaming Funds
_____ ALL DOR FUNDS

Illinois Student Assistance Commission:

_____ Funds

Secretary of State:

_____ Library/Library Systems Payments

Dept. of Transportation:

_____ Motor Fuel Tax

State Universities:

_____ Funds _____

_____ Funds _____

State Board of Education:

_____ All School Payments

Dept. of Veterans Affairs:

_____ Funds _____

Community College Board:

_____ Funds

Other (describe):

Dept. of Aging:

_____ AAA Payment

3.4 Account Contact Person:

Name: _____ Title: _____

Phone: _____ Fax: _____

Email address: _____

3.5 Person(s) authorized to execute electronic transfers and/or sign checks: (use separate sheet if needed) Participant is responsible to notify the Illinois Funds, in writing, of any changes in authorized persons.

Authorized Signature	Printed Name	Checks	Transfers
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>

3.6 Participant accepts the terms and conditions of the administration of the Illinois Funds as determined by the State Treasurer and understands that no changes will occur in the administration without prior written notice.

3.7 Application signature:

The undersigned certifies that he/she has been authorized by Participant's governing body, or by statutory authority to execute this application for the Illinois Funds Short-term Loan Program and Account.

Signature: _____ Title: _____

Print Name: _____ Date: _____

Privacy Act Notice: You previously provided your Taxpayer Identification Number (TIN), i.e. your Federal employer identification number (FEIN), to the State of Illinois upon becoming a State of Illinois payee. Section 6109 of the Internal Revenue Code requires you to give your TIN to persons, such as the State of Illinois, who must file information returns with the IRS to report interest, dividends, and certain other income paid to you. The Illinois State Treasurer's Office, as administrator of The Illinois Funds Direct Deposit program, requests verification of your TIN on the Application for Direct Deposit of Payments. Your TIN verification enables proper payee identification and corresponding direction of payments as specified on your completed Illinois Funds Application for Direct Deposit of Payments. While not mandatory, failure to provide your TIN on the Application precludes your participation in The Illinois Funds Rapid Revenue program.

Payment of interest may be available if the State fails to comply with the State Prompt Payment Act [30 ILCS 540].

Please return the completed application and written Funding Information (from Section 2.0) to:

The Honorable Alexi Giannoulas • Illinois State Treasurer
The Illinois Funds Local Government Short-term Loan Program
300 West Jefferson • Springfield, Illinois 62702

Direct questions or documents to:

Phone: 1-800-346-7414 • Fax: (217) 524-1269

LOCAL GOVERNMENT SHORT-TERM LOAN PROGRAM

Loan Funds Transfer Instructions:

This form is to be delivered to the Lender Financial Institution. The loan funds must be transferred to an Illinois Funds account. This form will instruct the lending institution as to which Illinois Funds account you wish to have the funds transferred. This form should be completed now if using an existing Illinois Funds account. If opening a new Illinois Funds account the form must be completed once a new account is opened. A copy must be forwarded to the State Treasurer's office at the address on the Loan Program application.

Custodial Bank: US Bank

ABA routing number: For Wire transfers: 081000210
 For ACH transfers: 081225707

For Further Credit to Illinois Funds account number: _____

Illinois Funds account title: _____

Signature/Title of Borrower: _____ Date: _____

Acknowledgement of Lending Institution:

(Lending Institution acknowledges that the funds cannot be used as a line of credit. The Lending Institution also acknowledges that all funds must be transferred to the borrower within 10 business days of the deposit date).

Name of Institution: _____

Signature/Title: _____ Date: _____